LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: SEPTEMBER 2, 2005

FROM: MICHAEL TUERPE, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #5: LAFCO SC#260 - City of Upland Sewer Service

Agreement No. SSA-2005-07-01 (APN 1003-091-67)

INITIATED BY:

City of Upland, on behalf of property owners

RECOMMENDATION:

- 1. Certify that SC#260 is statutorily exempt from environmental review, and direct the Clerk to file a Notice of Exemption within five days.
- 2. Approve SC#260 authorizing the City of Upland to extend sewer service outside its boundaries to Assessor Parcel Number (APN) 1003-091-67.
- 3. Adopt LAFCO Resolution #2894 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City of Upland's boundaries.

BACKGROUND:

The City of Upland has submitted a request for approval of an out-of-agency service agreement that outlines the terms by which it will extend sewer service. The City's Sewer Service Agreement relates to a single parcel located on the west side of Prospect Drive (2416 Prospect Drive), generally north of 24th Street, west of Cliff Drive and east of Campus Avenue. The parcel is currently vacant and is located within the City's northern sphere of influence which encompasses the community known as "San Antonio Heights". Attachment #1 provides a location and vicinity map of the site along with a map outlining the location of the infrastructure to be extended.

The City, on behalf of the property owners, has requested that the Commission review and approve the extension of service pursuant to the provisions of Government Code Section 56133. The property owners are currently processing building permits for the construction of a single-family residential unit on the property. Prior to occupancy, the property owners will need to provide proof of authorization to connect to the City's sewer facilities. Authorization of this agreement by the Commission is required before the City can take the final actions to implement the terms of the agreement.

The City's application indicates that sewer service will be provided to the proposed residential unit through a lateral extension from the 8-inch sewer main on Prospect Drive.

Pursuant to the Commission's application requirements for service contracts, information must be provided regarding all financial obligations for the extension of services outside an agency's boundaries. The City of Upland has submitted an estimated total cost of \$6,947.47 for sewer service to the parcel. Following is the breakdown of the calculation:

| Capital Cost Recovery Fee | | \$2,481.47 |
|-------------------------------|----------------|------------|
| Facility Expansion Fee – City | \$466 x 1 du | \$466.00 |
| Facility Expansion Fee – IEUA | \$4,000 x 1 du | \$4,000.00 |
| TOTAL | | \$6,947.47 |

In addition, the property owners shall bear all costs for the sewer improvements extending from the existing sewer main to the residential building. Future occupants of the residential unit will be charged 1.5 times the in-city monthly rate for sewer service. The higher rate charged to outside customers is intended to help offset the costs for service delivery outside the City's corporate boundaries.

The parcel proposed for sewer service connection from the City of Upland is within the sphere of influence assigned to the City and is anticipated to become a part of it sometime in the future. This determination is made on the basis that this area has been confirmed as a part of the City of Upland sphere of influence in its recent service review and mandatory update conducted through LAFCO 2894 and considered and affirmed by the Commission on July 17, 2002. Therefore, it is the staff's position that this contract complies with the directives of Government Code Section 56133 to be "in anticipation of a future change of organization". Furthermore, staff supports the City's request for authorization to provide sewer service to the proposed residential development since its facilities are adjacent to the anticipated development, and there is no other existing entity available to provide this service within the area.

FINDINGS:

- 1. The project area, identified as APN 1003-091-67, is within the sphere of influence assigned the City of Upland and is anticipated to become a part of that City sometime in the future. This parcel will receive water service from the San Antonio Mutual Water Company and the application requests authorization to receive City of Upland sewer service.
- 2. The Sewer Service Agreement No. SSA-2005-07-01 being considered is for the provision of sewer service to a single parcel (2416 Prospect Drive) located on the west side of Prospect Drive generally north of 24th Street, west of Cliff Road and east of Campus Avenue. This contract will remain in force in perpetuity or until such time as the area is annexed. Approval of this application will allow the property owners and the City of Upland to proceed in finalizing the contract for the extension of sewer service.

Moreover, the County Land Use Services Department – Building and Safety Division is processing building permits for the construction of a single-family residential unit on the property. A requirement placed upon the project is the connection to sewer facilities of the City of Upland. Approval of the City's request for authorization to provide sewer service will satisfy this requirement.

- 3. The fees charged this project by the City of Upland are identified as totaling \$6,947.47 (Capital Cost Recovery Fee \$2,481.47 -- Facility Expansion Fee City \$466 -- Facility Expansion Fee IEUA \$4,000). Payment of these fees is required prior to connection to the City's sewer facilities. Also, the property owners will be required to extend the sewer lateral to the residential building at their own expense.
- 4. As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the service contract submitted by the City of Upland and recommended that it is statutorily exempt from environmental review. A copy of Mr. Dodson's response is included as Attachment #3 to this report.

KRM/mt

Attachments:

- 1. Vicinity Map and Map of the Contract Area
- 2. City of Upland's Application and Contract
- 3. Response from Tom Dodson and Associates
- 4. Draft Resolution #2894